

## First Observer Survey Results: Director's Message

We've now enlisted the cooperation of 91 observers from 18 states. We sincerely appreciate all of their contributions! Our hope is to have even greater participation in the coming months, toward the goal of more comprehensive national monitoring of the introduction of new tobacco products.

Forty of these observers were able to make one or more store visits between October and December, 2009 and reported their observations on our first online observer survey. Where our interim update had included the first 18 observation, this report adds the remaining 22 observers to respond and summarizes all results.

Our second survey, covering the observation months of January – March, is now available. If you have observations from that period to report, we encourage you to access the survey and complete it as soon as possible. If you've lost the link to the survey, please let us know at [NewProductWatch@umb.edu](mailto:NewProductWatch@umb.edu).

The New Product Watch website is now fully operational and many of you have been adding photographs and contributing to the discussion forums. Please do check the site from time to time for the latest updates. As always, we welcome contributions from all users of the site.

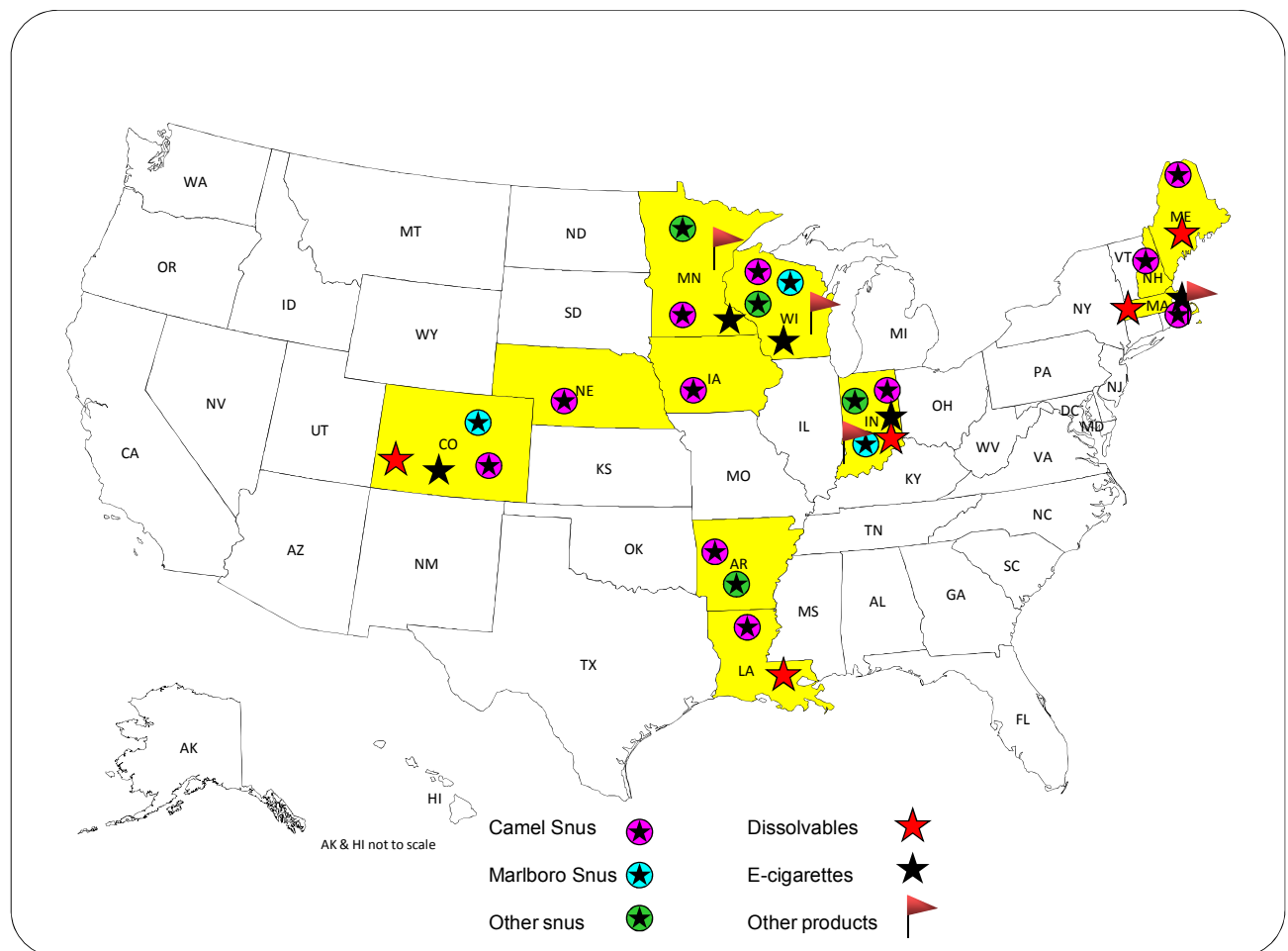
*Lois Biener*

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## Store visits and products noted by state

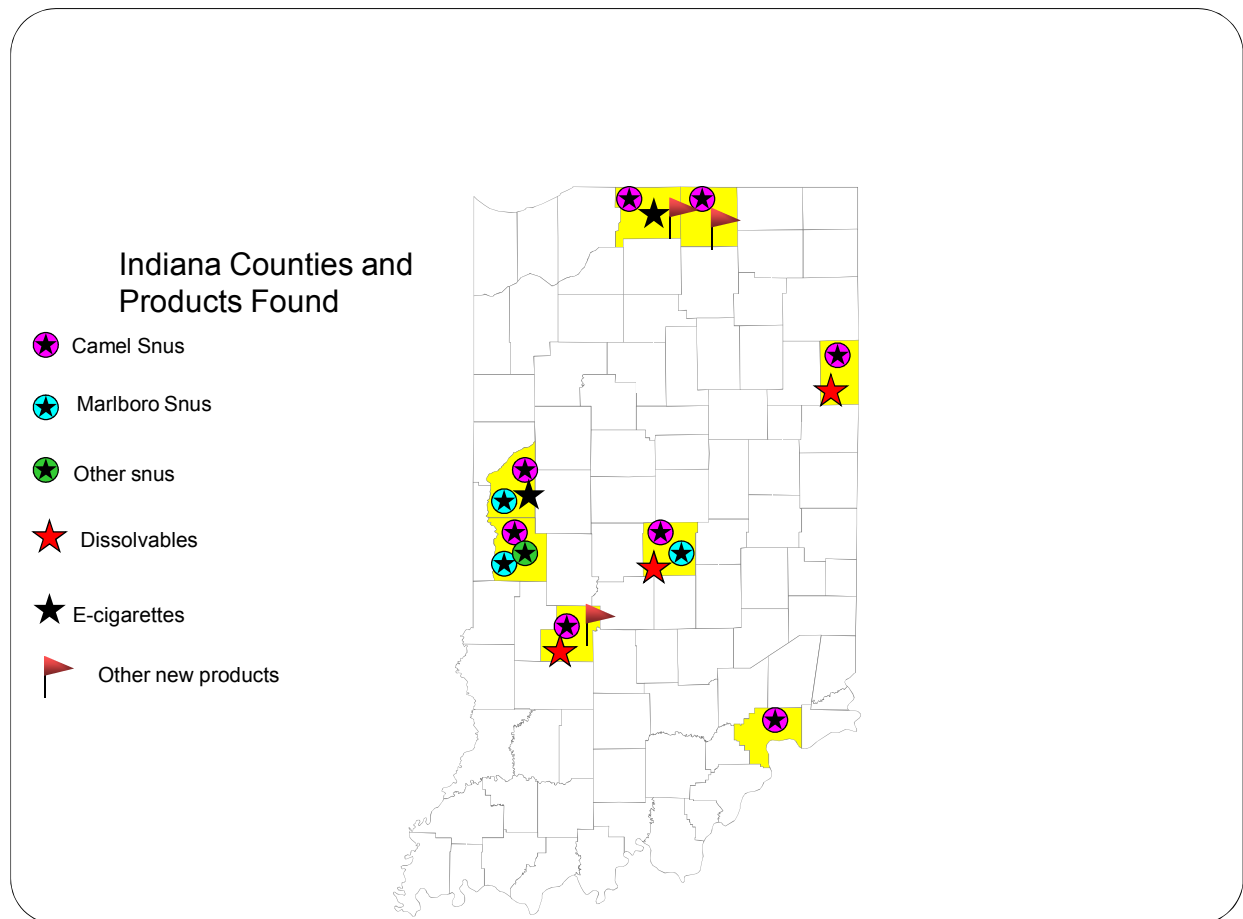
The map below depicts, in yellow, the states from which we've had observer reports, along with the products noted as available for sale in each. Our forty observers from eleven states (Arkansas, Colorado, Indiana, Iowa, Louisiana, Maine, Massachusetts, Minnesota, Nebraska, New Hampshire, and Wisconsin) all visited at least one store between October and December. As shown, multiple new products were noted in each state.

Most observers sought out convenience stores (n=32) and gas stations (n=26) as likely to carry new products, with smaller numbers checking out supermarkets, drug stores, mall kiosks, and tobacco shops.



### County map example: Indiana

The more widespread our state coverage, the richer the information we can collect. The following map shows the products seen by county in the state of Indiana. We had seven observers in Indiana report findings on the first survey. Each of them made one or more store visits. As shown, a wide variety of new products were seen and their specific locations can easily be displayed by county. Obviously, the more observers we have from around each state, the more specific we can be in pin-pointing the locations where new products are becoming available.



### Snus products for sale

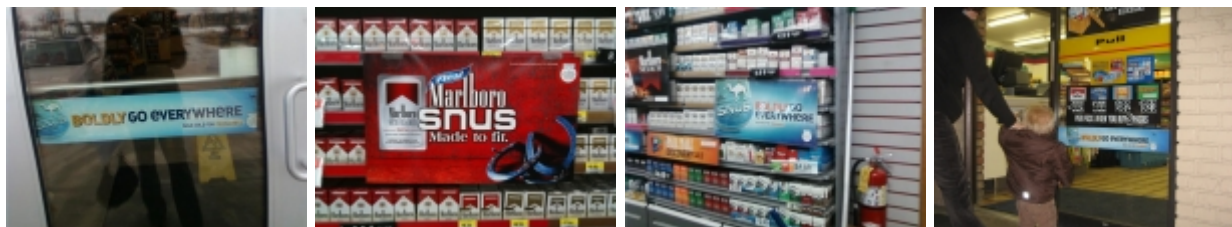


Camel Snus appears to be available everywhere, nationwide, as a result of R.J. Reynolds' move to national distribution in 2009. All but four observers found Camel Snus on their store visits. Camel's "Mellow" and "Frost" varieties have been the most commonly seen ( $n=24$  and  $27$ , respectively), with "Winterchill" and "Robust" also seen, in fewer numbers ( $n=8$  and  $4$ ) but in numerous states: Arkansas, Iowa, Indiana, Louisiana, Maine, Nebraska, and Wisconsin.

Marlboro Snus was less commonly seen at the time of our first survey; only 6 of our 30 observers (in Colorado, Indiana, and Wisconsin) reported finding the product. It is interesting to note that, while we had known Philip Morris had expanded their Marlboro Snus test markets to include Wyoming, Utah, Nevada, California, and Colorado, in addition to previous availability in Texas, Indiana, and Arizona, the fact that we had an observer in Wisconsin find them for sale is our first sign of their new nationwide expansion.

Just four of our observers reported finding other brands of snus, although those four were all observing in different states: Minnesota, Arkansas, Indiana, and Wisconsin. Brands identified were Grand Prix (original and spearmint) and Tourney.

### Snus ads/signage



The photos above were taken by observers in Iowa, Alaska, and Colorado. (For enlarged versions and more photos that have been uploaded by our observers, please see the Photos section on our website : <http://www.tinyurl.com/newproductwatch>. We encourage you to bring a camera when making store visits and to upload your findings on our site!)

The vast majority of observers witnessed ads or signs for Camel Snus, both in the stores' interior ( $n=32$ )

and exterior (n=30.) In contrast, a little over half of those finding Marlboro Snus available saw any signage for it. It should be noted though, that our sample finding any Marlboro Snus for sale is very small (n=6) and thus difficult to generalize from.

Similarly, two of the four observers who found other brands of snus also saw signage for those, both interior and exterior.

### Snus pricing

Nearly half of observers said they were able to determine the price of Camel Snus, reporting an average of \$3.95, while the average price for Marlboro Snus (reported by just two observers) was \$2.50. The fact that Camel Snus was generally higher-priced than Marlboro Snus follows the same pattern found by a 2008 study by Rogers, Biener, and Clark. The ensuing paper, entitled "Test marketing of new smokeless tobacco products in four U.S. cities", can be found here:

[https://wiki.cancer.umn.edu/tseen/files/Test%20Marketing%20Snus\\_Rogers2010.pdf](https://wiki.cancer.umn.edu/tseen/files/Test%20Marketing%20Snus_Rogers2010.pdf)

### Snus incentives

Free samples of Camel Snus were seen by six observers, while eight of them noted coupons or other incentives. When asked to describe the other incentives they'd found, five observers mentioned special promotional prices, while two others (both in Indiana) had seen direct mail coupons for a free tin of Camel Snus.

One observer in Wisconsin noted both free samples and coupons for Marlboro Snus, while no free samples, coupons, or other incentives for any other brands were reported.

Once again, the rate at which incentives were seen for Camel Snus (moderate) vs. other brands (none) mirrors findings from 2008, found in the Rogers et al. paper, in which more incentives were offered for Camel Snus than other brands.

### Snus demand

Most observers were unable to gather much information about the demand for Camel Snus, but the few who were able to comment on demand assessed it at low to medium:

... No one is buying it. Clerk said when tobacco rep comes in they have to "write-off" the products because they are not selling. Even when they offer Camel smokers free samples, no one is taking them. (IN)

... People still don't know about this product so the demand is low to medium. (CO)

... Mellow doesn't sell at all. Frost has sold some here and there - people got it when Camel ran the "buy any camel product, get snus for free" (campaign). (MN)

... People ask what they are, but not a lot of people are buying them. (IN)

... The customers still seem to be uneducated on the product. (AR)

... very few repeat buyers. (MA)

On the other hand, one observer in Iowa spoke with a clerk who assessed the demand for Camel Snus as a little higher, due to customers possessing coupons.

... The clerk at the convenience store said that people are trying it because they are coming in with coupons and the price is already \$2.81.

Another clerk in Nebraska told an observer that they were “selling pretty good.”

Demand for Marlboro Snus was assessed as “low” by the few observers who felt able to report on it.

... Not selling. No one is interested. Tobacco reps must "write-off" when they stop in. (IN)

... People haven't heard about this product so the demand is low. (CO)

## Dissolvables



Photos at left, of various dissolvable products, were taken by observers in Indiana and Massachusetts.

Eight of our 40 observers - in Colorado, Indiana, Louisiana, Maine, and Massachusetts - reported finding dissolvable products on their store visits, including Camel Orbs, Sticks, and Strips, Ariva, and Stonewall. A few exterior (2 observers) and interior (3 observers) signs were noted. The average price was \$4.00. A few free samples and coupons were seen and demand was assessed at low to medium by those who were able to comment. One observer in Massachusetts noted the following:

... Rite Aid stores sell little or no Ariva. Several have stopped carrying it. Hess sells little or no Stonewall for \$1.79 for 5 tablets. Several have stopped carrying it.

## E-cigarettes



Photos above were taken in Alaska (samples and demonstration of e-cigarette usage) and Washington State (e-cigarette kiosk at a shopping mall.)

Eight of our reporting observers – in Colorado, Indiana, Massachusetts, Minnesota, and Wisconsin – said they found e-cigarettes on their visits, citing brands NJoy and Smoking Everywhere. One shared the following:

✚ ...don't remember the name, but remember being shocked and disappointed that they were in a kiosk in our mall and that many people were at the kiosk. (IN)

Three observers noted interior ads or signs for e-cigarettes, while just one saw any exterior ads or signs. E-cigarettes were found in convenience stores, mall kiosks, a tobacco shop, and a gas station. Three observers said they could determine the price of the e-cigarettes, with the average being \$55.33. No free samples, coupons, or other incentives were noted.

A couple of observers felt demand for e-cigarettes could be high:

✚ I didn't receive any verbal information, but there were several people at the kiosk, some purchasing, some just looking and listening to the sales pitch. (IN)

✚ Because of second hand smoke issues and littering and butts issues and the Clean Indoor Air Act, people want the e-cigarettes instead of tobacco products. (CO)

## Other products

A few observers mentioned seeing other new products such as Marlboro 54s, Zig Zag blunt wraps, Santa Fe, Hookah, Remington and other types of little cigars, and flavored cigars:

✚ 2 per package flavored cigars (IN)

✚ seeing many more flavored cigars...being placed more visual (eye level) than cigars used to be. (IN)

✚ afé crème small cigars; 5 per tin; \$8.99. (MA)

✚ dark horse cigars; 10 per pack; \$1.00 or less. (MA)

Only a few noted interior or exterior signage, but none reported finding any coupons, free samples, or other incentives. Only one observer commented on the demand for these products as “medium” with the others feeling they had no information about demand. Comments on demand for these products included the following:

- ✚ . . . . We are seeing a lot more ads for "little cigars" such as "Remington" and "Golden Harvest." These products come 20 to a pack and are filtered- they look exactly like cigarettes. However, because they are labeled as little cigars, they sell for much cheaper as they are taxed much lower. For example, a pack of Remington cigars sells for less than \$2, compared to close to \$6 for a pack of cigarettes. (MN)
- ✚ Clerk expected it [Santa Fe] to fly off shelves, Clerk said Kookah was new. (WI)
- ✚ Repeat sales on dark horse cigars due to the price of \$1.00 per pack of 10 cigars; no demand for café crème aroma at \$8.99 for 5 cigars. (MA)

### Summary

- ❖ Camel Snus can now be found everywhere, although it doesn't appear to be a big selling item as of yet.
- ❖ Marketing of Marlboro Snus is being expanded to the national level.
- ❖ There is a lot of buzz around e-cigarettes, but not many sightings just yet.
- ❖ We can only be sure of what is currently out there, not what isn't. Our sample is not a representative one, though we hope to move in that direction later on.
- ❖ These observations are already revealing important new trends in the marketing of new tobacco products, so your observations are especially important.